Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 17-278 March 23, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF FINGER LAKES TECHNOLOGIES GROUP, INC. TO OHCP NORTHEASTERN FIBER BUYER, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-66

Comments Due: April 6, 2017

Reply Comments Due: April 13, 2017

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by Trumansburg Telephone Company, Inc. (Trumansburg) and OHCP Northeastern Fiber Buyer, Inc. (OHCP Buyer) (together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, for consent to transfer control of Finger Lakes Technologies Group, Inc. (FLTG) from Trumansburg to OHCP Buyer.¹

FLTG, a New York corporation, provides competitive local exchange carrier (LEC) service in upstate New York, including through a fiber network covering approximately 2,500 miles from Rochester to Ithaca and to Syracuse, and then back to Rochester. FLTG also provides competitive LEC service in northern Pennsylvania. FLTG is wholly owned by Trumansburg, a New York corporation and rural incumbent LEC serving customers in Seneca, Tompkins, and Schuyler Counties in New York. Applicants state that Trumansburg will continue to control its incumbent LEC operations, which are not affected by the proposed transaction. They further state that Trumansburg's outstanding stock is held by approximately 105 individuals and trusts, and that the only 10 percent or greater interest holders of FLTG within Trumansburg are Paul H. Griswold, a U.S. citizen, who owns approximately a 29 percent derivative interest in FLTG, and an individual U.S-based trust that owns a 13 percent derivative interest in FLTG.²

OHCP Buyer, a Delaware corporation, wholly owns TVC Albany, Inc. (TVC), a Delaware corporation, and TVC's wholly owned subsidiaries that provide telecommunications services. The

¹ See 47 U.S.C. § 214: 47 CFR § 63.03.

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² Applicants state that FLTG is currently affiliated with Ontario Telephone Company, a rural incumbent LEC serving portions of Ontario County, New York, and Finger Lakes Communications Group, Inc. (FLCG), a long distance reseller in and around the areas served by Trumansburg and OTC. Applicants affirm that the ownership and control of FLCG and OTC are not affected by the proposed transaction.

subsidiaries are the "FirstLight Companies," including segTEL, Inc., that provide fiber-based competitive LEC services in Maine, Massachusetts, New Hampshire, New York, and Vermont, Oxford County Telephone & Telegraph Company and its wholly owned subsidiaries (Oxford) that provide incumbent LEC and competitive LEC fiber-based services in Maine, Massachusetts, and New Hampshire, and the Sovernet Companies (Sovernet) that provide fiber-based competitive LEC services in New Hampshire, Vermont, Massachusetts, New York, and Pennsylvania. Applicants state that the fiber networks of FLTG, the FirstLight Companies, Oxford, and Sovernet are complementary and adjacent, with minimal overlap. They state that FLTG has 174 miles of fiber within one mile of the combined fiber network of the FirstLight Companies, Oxford, and Sovernet in the counties of Allegany, Madison, and Chemung, New York.

Applicants state that, post-transaction, OHCP Buyer will be predominantly owned and controlled by private equity funds formed in the Cayman Islands for investment purposes, specifically Oak Hill Capital Partners IV (Management), L.P., Oak Hill Capital Partners IV (Onshore), L.P., Oak Hill Capital Partners IV (Offshore) IV, L.P., and Oak Hill Capital Partners IV (Offshore 892), L.P. (collectively, the Oak Hill IV Funds, which will hold approximately 84 percent of OHCP Buyer). Applicants state that these funds are all ultimately controlled by OHCP MGP IV, Ltd. (MGP IV), a Cayman Islands entity, the voting members of which are all U.S. citizens.⁴

Pursuant to the terms of the proposed transaction, TVC will acquire 100 percent of the outstanding shares of FLTG, and, as a result, FLTG will become a direct, wholly owned subsidiary of TVC and an indirect, wholly owned subsidiary of OHCP Buyer.

Applicants assert that the proposed transaction is in the public interest. They contend that the combined company will have broader geographic coverage than FLTG and will be better able to compete to serve large regional and national telecommunications customers. Applicants do not request streamlined treatment for the proposed transaction.⁵

Domestic Section 214 Application Filed for the Transfer of Control of Finger Lakes Technologies Group, Inc. to OHCP Northeastern Fiber Buyer, Inc., WC Docket No. 17-66 (filed Mar. 16, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer

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³ Applicants state that OHCP Buyer is affiliated, through a separate group of Oak Hill Funds, with Astound (d/b/a Wave), a competitive telecommunications provider in California, Oregon, and Washington, and Metronet Holdings, LLC, a competitive telecommunications provider in Indiana and Illinois.

⁴ Applicants state that the following U.S.-based limited partners of the Oak Hill IV Funds own or control interests in OHCP Buyer through their investment in one or more of the funds: Ohio Public Employees Retirement System (12.1%) and FW Oak Hill Limited IV, L.P. (FW Limited IV) (9.7%). Applicants further state that control of the Oak Hill IV Funds is vested in the following Cayman Islands entities: OHCP GenPar IV, L.P. and MGP IV. The shares in MGP IV are distributed equally among the following 13 individuals, each of whom is a U.S. citizen and does not own a 10 percent or greater equity interest in OHCP Buyer: J. Taylor Crandall, Steven B. Gruber, Tyler J. Wolfram, Scott A. Baker, Brian N. Cherry, Benjamin Diesbach, Stratton R. Heath, III, Scott B. Kauffman, Kevin M. Mailender, John R. Monsky, William J. Pade, Steven G. Puccinelli, and David S. Scott.

⁵ 47 CFR § 63.03.

application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before April 6, 2017**, and reply comments **on or before April 13, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Freeman, Competition Policy Division, Wireline Competition Bureau, myrva.freeman@fcc.gov;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Myrva Freeman at (202) 418-1506 or Jodie May at (202) 418-0913.